

LIBRARY OF CONGRESS

Copyright Royalty Board

Notice of Intent to Audit

AGENCY: Copyright Royalty Board, Library of Congress.

ACTION: Public notice.

SUMMARY: The Copyright Royalty Judges are announcing receipt of a notice of intent to audit the 2008 statements of account submitted by Lastfm, Ltd., concerning the royalty payments made pursuant to two statutory licenses.

FOR FURTHER INFORMATION CONTACT: LaKeshia Keys, Program Specialist, by telephone at (202) 707-7658 or e-mail at *crb@loc.gov*.

Supplementary information: The Copyright Act, title 17 of the United States Codes, grants to copyright owners of sound recordings the exclusive right to perform publicly sound recordings by means of certain digital audio transmissions, subject to certain limitations. Specifically, this right is limited by two statutory licenses. The section 114 license allows the public performance of sound recordings by means of digital audio transmissions by nonexempt noninteractive digital subscription services and eligible nonsubscription services. 17 U.S.C. 114(f). The second license allows a service to make any necessary ephemeral reproductions to facilitate the digital transmission of the sound recording. 17 U.S.C. 112(e).

Licensees may operate under these licenses provided they pay the royalty fees and comply with the terms set by the Copyright Royalty Judges. The rates and terms for the section 112 and 114 licenses are set forth in 37 CFR Part 380. As part of the terms set for these licenses, the Judges designated SoundExchange, Inc., as the organization charged

with collecting the royalty payments and statements of account and distributing the

royalties to the copyright owners and performers entitled to receive such royalties under

the section 112 and 114 licenses. 37 CFR 380.13(b)(1). As the designated Collective,

SoundExchange may conduct a single audit of a licensee for any calendar year for the

purpose of verifying their royalty payments. SoundExchange must first file with the

Judges a notice of intent to audit a licensee and serve the notice on the licensee to be

audited. 37 CFR 380.15(c).

On December 23, 2011, pursuant to § 380.15(c), SoundExchange filed with the

Judges a notice of intent to audit Last.fm, Ltd., for the year 2008. Section 380.15(c)

requires the Judges to publish a notice in the **Federal Register** within 30 days of receipt

of the notice announcing the Collective's intent to conduct an audit.

In accordance with § 380.15(c), the Copyright Royalty Judges are publishing

today's notice to fulfill this requirement with respect to SoundExchange's notice of intent

to audit Last.fm, Ltd. filed December 23, 2011.

Dated: January 12, 2012

James Scott Sledge,

Chief, U.S. Copyright Royalty Judge

[BILLING CODE: 1410-72-P]

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